KARNATAKA

PROCEEDINGS OF THE ASSEMBLY OF THE REPRESENTATIVE RYOTS AND MERCHANTS FROM ALL TALUKS OF THE PROVINCE OF MYSORE, HELD AT MYSORE ON THE 7TH OCTOBER 1881.

In accordance with the wishes expressed by His Highness the Maha Rajah as conveyed in Proceedings No. 4394-4401—120, dated 25th August 1881, the first Annual Meeting of the representative ryots and merchants from all the taluks of the Province was held at the Public Buildings at Mysore on the 7th October 1881. The meeting was presided over by the Dewan, the Members of His Highness' Council, and the principal officers of the Administration at the station being present. One hundred and fourty-four representatives attended. The proceedings commenced at 2-30 P. M., and the Dewan read the following address to the Meeting in regard to the administrative measures which were engaging the attention of the Government:—

1. We are met here to-day by command of His Highness the Maha Raja, and it is His Highness' wish that I should place before you at these Annual Meetings a report of the administration of the past year and an outline of the measures proposed to be carried into effect in the coming year. His Highness hopes that by this arrangement the action of the Government will be brought into greater harmony with the wishes and interests of the people. His Highness' Government will be glad to receive any observations and suggestions which you may wish to make in the public interests, and I need not assure you that they will meet which every consideration. I have only to express my hope that appreciating the spirit in which these arrangements have been initiated, your observations may be directed to matters of real public interest.

2. On the present occasion, as it is not many months since His Highness assumed the Government of the Country, there is little to report of what has already been accomplished; what I shall place before you will refer chiefly to measures which are still engaging the attention of His Highness' Government with a brief account of our present condition.

3. As you are aware, the condition of the Province has been very much affected by the great calamity which so recently visited it. The ruinous effects of the famine will be so fresh in your minds that I need not dwell on them. It will suffice for me to say that it cost the State 160 lakhs of rupees, involved the Government in a debt of 80 lakhs, and withal deprived the Province of a million of its population and crippled its resources for years to come.

4. A general census was taken on the night of the 17 February last under careful arrangements. The results which are being tabulated in great detail will furnish interesting statistics when completed. The population, as returned by this census, numbers 4,182,000 and shows a loss of 874,000 as compared with the census taken in 1871: but allowing for the usual rate of increase in the intermediate good years, the loss of population by famine may be assumed to be fully a million or 20 per cent.

5. The Government revenue, however, has not suffered in the same proportion, the severity of the famine having fallen chiefly on the miscellaneous classes. The great body of the agricultural classes have shown extraordinary recuperative powers, and cultivation recovered to a great extent even in the year immediately succeeding the famine. There has been, however, a sensible falling off in the revenue which may continue for some years to hamper the efforts of the Government to promote the prosperity of the Province.

6. A detailed analysis of the revenue is under preparation, but the following will serve to give a fair idea of it. The highest figure which the revenue reached before the famine was 109½ lakhs of rupees, and as this was more than double the estimated assets of the Province at the time of the Treaty of 1799, it has given rise to an erroneous impression that the revenues of the Province possess an unlimited capacity for expansion; but, as a matter of fact, the revenue mentioned in the Treaty was grossly under-estimated. The actual revenues at the time were much higher. The increase which accrued in subsequent years has been marked by two periods of a great and sudden rise: one indiacating the transition from a state of helpless dependence of the ryots on the Government under the batayi tenure, absence of all trade and low prices, to a more settled Government, with a money assessment, and outlay of money on Railways and other Public Works and free trade and comparatively high prices, and the other a still further enhancement of the prices resulting from the demand in the English market for Indian cotton and other produce occasioned by the American war and the stoppage of the supplies from America. Excluding the increase due to these two causes, the progress of cultivation and revenue in ordinary years

has been slow, certainly not in proportion to the increase of population I draw attention to this fact to show that Governments wishing to adjust their expenditure to the revenue should direct their efforts to a proper retrenchment of the expenditure rather than depend on any vague expectation of deriving an increase of revenue from an impoverished country. Any such large increase could only result from another great impetus to industry similar to those above referred to.

7. Returning to our financial condition the revenue demand, which reached 109½ lakhs of rupees in 1874—75, fell in the past year 1880—81 to so low a figure as 101 lakhs owing to the effects of the famine. A comparison of the different heads of revenue between 1874—75 and 1880—81 is given below:—

	1874—75.	1880—81.
Land Revenue	73,51,000	69,58,000
Forest	3,82,000	6,98,000
Abkari	11,53,000	10,67,000
Mohatarfa	3,68,000	2,52,800
Sayer	7,80,000	3,33,000
Stamps and Law and Justice...	6,26,000	5,24,900
Other Items	2,90,000	2,66,300
TOTAL.....	1,09,50,000	1,01,00,000

8. It will be seen that there was a loss of 4 lakhs in Land Revenue, 4 lakhs in Sayer and Customs, one lakh in Mohatarfa or tax on houses, shops and looms, one lakh in Abkari or excise on spirits, about a lakh in Stamps, and a little less than ½ a lakh in Interest on revenue arrears and other miscellaneous items ; whilst the revenue undr Forest chiefly from the sales of sandal has improved by 3 lakhs.

9. The above loss of revenue resulting from famine can only be expected to be made good gradually. The falling off in Land Revenue is attributable to diminished cultivation which results not only from the loss of the agricultural population but no less from the great loss amongst the miscellaneous classes occasioned by the famine. This has lessoned the demand for food grains, kept the prices low and deterred the ryots from bringing more lands under the plough, showing how much the success of agriculture is dependent on the flourishing condition of the manufacturing industries. The old idea that India must confine itself to the growth of agricultural produce is giving way to the more correct theory that no country can prosper unless its agricultural and manufacturing industries were equally fostered. The cultivation may be expected to revive to the full extent in the next few years. Meanwhile, the introduction of the survey settlement in the several talúks from year to year brings some addition to the revenue chiefly by the correction of the gross inequalities in the assessment which previously existed, but this increase is consumed by the provision which requires to made for the remuneration of the village officers.

10. The loss sustained under "Sayer" is of a more permanent character. It results frome the measures of relief which it was considered necessary to grant in the interests of the people. The duty on the arecanut was reduced from Rs. 1—4—0 to 12 annas per maund ; whilst the duty levied on tobacco, betel-leaves, cocoanuts and cardamoms was at first reduced and afterwards entirely given up, in consequence of the comparatively small amounts derived from them and the needless cost of establishments and annoyance occasioned by the tax. Tabacco which is grown only in a few taluks of the Province especially stood in need of the encouragement on account of the competition which it has to enter into with the more extensive produce of other parts of India. The articles are now taxed only in Municipal towns with other articles subject to the octroi. The sayer is now retained only on the arecanut and is too considerable an item of revenue to be givin up. In consequence of the peculiar advantages possesed by the Malnad taluks in which the superior arecanut is grown and the demand which exists for the article in Indian markets, the duty is not felt as burdensom. The ryots wish rather for some relief to the heavy land assessment levied on these arecanut gardens under the survey settlement. The special assessment on gardens is open to the objection of its being a tax on the outlay of capital,

but it has always existed in the Province, though its incidence is now more felt in consequence of its rigid collection under the survey settlement; whereas formerly remissions of the tax were allowed, first, till the trees came into bearing and afterwards when they ceased to yield. Such remissions are attended with great abuse and cannot be revived; but the question of making some reduction in the assessment of the more highly assessed gardens will receive the early consideration of His Highness' Government. Another article which had been subjected to sayer duty was cloths. But as the duty was levied only on cloths of Indian manufacture and not on the imported piece goods, it yielded but a comparatively small amount of revenue, which it was considered expedient to give up. There is no reason, however, why, if an excise on articles of consumption is to be resorted to under financial pressure, piece goods should not be preferred to others as providing a basis of a more equal taxation. Such taxes, however, are open to great objections and have to be resorted to only under extreme circumstances.

11. The decrease in Mohatarfa represents the heavy mortality amongst the unfortunate weaver classes who contribute to the loom-tax. A loss has also been incurred in house-tax in consequence of a moiety of it in the towns having been given up to the Municipalities to prevent their levying a separate tax under this head. If this tax were levied on *all* houses instead of as at present on the houses of the non-agricultural and miscellaneous classes only, it would be far more productive. Such an arrangement has been recently introduced in the Municipal towns, where all houses are taxed without exemption, but the extension of the measure to the villages may be misunderstood by the people, and it will not be resorted to unless forced by financial necessity.

12. The Abkari has been the earliest to recover from the effects of the famine. This revenue is chiefly realized in the larger towns, which suffered least in the famine and have rapidly recovered since. It is a steadily increasing source of revenue though the increase indicating a larger consumption of the spirits is not altogether a matter for congratulation. There has hitherto been a tendency on the part of Government to look only to the revenue derivable from this source. The health and conveniences of the indigent classes from whom this revenue is chiefly derived equally demand the attention of Government. It having come to notice that hardship was inflicted on the drinking population of the Malnad by the prohibition introduced against the manufacture of akkibhoja or spirits distilled from paddy with the view of promoting the sale of arrack, the prohibition has been removed. The akkibhoja is a mild liquor to which the Malnad population were long accustomed.

13. A considerable position of the Abkari revenue is realized in the portion of the Bangalore Town, which His Highness has consented to assign to the British Government for the purposes of a Civil and Military Station; but as the surplus revenues of the Assigned Tract are intended to be made good to the Mysore State, its revenues will not suffer.

14. Mysore does not derive any revenue from salt which is a large and increasing source of revenue in other parts of India. The excised salt, which it's people mostly consume, contributes to the revenues of British India. The manufacture of earth-salt in the Province, which was once somewhat considerable, has greatly declined. In compliance with the wishes of the Government of India, the manufacture of the salt within 5 miles of the British frontier has been prohibited in view to prevent the smuggling of the salt into British Territories. The measure is attended with some hardship to the classes who have hitherto lived by the manufacture as well as to the people in remote parts who altogether depend on this salt for their consumption. It is hoped to bring the purer sea salt within the reach of those people by the extension of the railways in the Province.

15. The falling off in Stamps, both General and Court Fees, naturally results from the depressed condition following on the famine. The revenue may be soon expected to recover.

16. The Forest revenue which alone has shown an increase is, as already remarked, chiefly derived from the sales of sandal. In recent years, there has been an increasing demand for sandal, especially for sandal roots used for the manufacture of sandal oil. It has therefore been practicable to sell larger quantities and to realize higher prices than before. But the sales do not admit of unlimited expansion, as the markets for sandal will not take more than a certain quantity annually; but it is hoped to keep up the present sales, and, in order to meet them, attention is given to the conservancy of the sandal preserves. As the sandal grows largely on private lands, the holders of which at present possess no interest in preserving the trees, it is under contemplation to revive the rule once before promulgated for allowing a commission to land-holders on the sandal grown on their lands and delivered to Government.

17. The other items of Forest revenue are quite inconsiderable as yet. The several descriptions of building-timber growing in the forests, valuable as they are, cannot be worked with any great profit unless the cost of felling and carting could be considerably

cheapened. As an instance, it may be mentioned that although there was a large demand for timber in connection with the Railway to Mysore, it was found cheaper to get Rangoon timber from Madras than to use the timber of our forests, except to a small extent at the Mysore end of the line. This was the case especially in regard to the Railway sleepers. Creosoted pine sleepers which are considered superior to the teak for this particular purpose were brought all the way from Europe by sea and by the Railway from Madras and were delivered at Bangalore at cheaper rates than our teak sleepers could be supplied for, and with a rapidity which cannot be hoped for in our forests. The work on the Railway would in fact have come to a stand still if it depended on our forests for the supply. When the country is opend out by railways it is hoped to work the forests to greater advantage and with scientific appliances.

18. The various descriptions of jungle products will also receive attention at the same time and the forests will be managed with decidedly more profit than at present.

19. The extensive scrub jungles along the line of the Railway to Mysore have however been turned to profitable account for the supply of fuel to the Railway which had been in the first instance obtained from the Kuppam jungles in Madras.

20. The forests altogether ought to be made a great source of revenue to the Government, but this cannot be done unless they are strictly conserved, which is not altogether agreeable to the people who have been hitherto accustomed to use them indiscriminately. What is everybody's property can be of use to no one. The ryots, however, have strictly no rights in these jungles which in most cases are not situated within the limits of their villages. There ought therefore to be no hardship in making them look to their own lands and to the small tracts of jungles which are proposed to be assigned to their villages for any supplies they may stand in need of, and to make them pay moderately for anything required from the Government forests. Arrangements will, however, be made to throw open the pastures in these jungles to cattle at stated times and under proper arrangemets.

21. The aggregate revenue of the Province may on the whole be expected to rise to 104 or 105 lakhs within the next 2 or 3 years; but it will be long before it reaches its former maximum of 109½ lakhs.

22. Besides the Government revenue above referred to, a sum of about 7 lakhs is annually collected under the head of Local Funds at the rate of one anna per rupee of land and other descriptions of revenue. The money is expended under the control of Local Fund Boards on roads and communications and on the maintenance of Taluk and Hobli schools, and to some extent also on the maintenance of Local Dispensaries in the respective Districts. These funds when properly administered ought to provide for all local requirements under the above heads.

23. Similarly, an annual sum of 4 lakhs is collected under the heads of house-tax, octoroi and other items by the several Municipalities which are now established in all the towns of the Province to provide for their conservancy and sanitiation. The rules relating to both these branches of the Administration are now under consideration. In revising them due regard will be paid to the importance of administering these funds for the benefit of the local public and in accordance with the wishes of the people; and of not treating them as a mere addition to the Government revenue.

24. I now proceed to a review of the expenditure. The last two years of the British administration of the Province were devoted to reforming the various branches of the Administration and reducing the expenditure in them so as to bring it within the diminished revenue since the famine. These reforms have on the whole been carried into effect with success. In all, a reduction of 14 lakhs in the expenditure has been effected without in any way impairing the efficiency of the Administration. The expenditure before the famine reached the full amount of the revenue then realized. *viz.*, 109½ lakhs of rupees, besides further grants from the invested surplus of previous years for irrigation works.

25. The various heads of expenditure as they stood in 1878—79 and as they have been now reduced are given below:—

	1878—79.	As now revised.
Interest	...	4,07,000
Refunds	33,000	14,000
Land Revenue Establishments. Commissioners of Divisions and Establishments ...	1,60,650	...
Deputy Commrs. of Districts and Establishments..	2,85,510	2,31,148
Assistant Commissioners and Establishments ...	1,90,000	1,05,142
Taluk Establishments	5,95,000	5,63,670
Revenue Survey	3,26,200	2,62,535
Inam Commission	63,500	6,228
Remuneration to village servants	1,00,000	2,07,326
Other Items	64,900	38,688
Forest	2,47,000	2,00,000
Abkari	36,000	18,000
Sayer	38,000	16,000
Stamps	17,000	14,000
Post Office	1,68,000	1,59,640
Administration and Public Departments	3,07,000	1,84,057
Palace charges	10,13,000	10,00,000
Minor Departments	76,000	1,00,000
Law and Justice	6,32,000	6,08,815
Police	6,24,000	4,57,200
Education	2,49,000	1,59,000
Muzrayi	2,92,000	2,87,000
Medical	1,82,000	1,63,000
Stationery and Printing	75,000	87,532
Allowances and Assignments under Treaties	25,61,000	25,10,000
Miscellaneous	83,000	38,356
Civil furlough and absentee allowances to officers and compensation to Military Officers transferred from Mysore ...	...	20,644
Superannuation pension and gratuities	1,83,000	2,74,000
Military Local Force	8,65,000	7,88,000
Public Works Department	14,84,000	10,75,000
TOTAL ...	109,50,760	99,96,231
Add Charges of the Civil and Military Station of Bangalore ...	...	1,00,000
TOTAL ...	109,50,760	100,96,281

26. The reductions effected may be roughly summarized as follows.

The expenditure on Public Works and its Establishments, *i. e.*, on the maintenance of roads and irrigation works, has been reduced from 15 lakhs to 10,75,000 Rs. or by 4,25,000 Rs. Some further reduction may require to be made under the head to provide for the Railways, and it is hoped it may be effected without inconvenience, as the Local Funds provide a large additional sum for the District roads. When a complete system of railways shall have been provided for the Province, the maintenance of all roads should fall entirely on Local Funds.

By substitution of lower paid Native for European Deputy Commissioners and by reduction in the number of Assistant Commissioners and by the abolition of the Judicial Establishments attached to these officers, a reduction of 1,25,000 Rs. has been effected; and by the substitution of District and Sessions Judges for Commissioners of Divisions with Revenue and Judicial functions, there was a further reduction of 80,000 Rs.; and when Native Judges are substituted for the existing European Officers, there will be an additional saving under this head. These arrangements effected a complete separation of Judicial from Revenue functions and by dispensing with an intermediate office of control like that of the Commissioner have rendered the District administration more prompt and effectual with a great saving of correspondence.

By the abolition of separate Police Assistant Commissioners and by a reduction in the number and pay of the Taluk Police Inspectors and Jamadars and by reductions in the number of the higher grades of Duffedars and Peons, a reduction of another 1,25,000 Rs. has been effected in Police charges.

The reductions made in the Head Offices of control and account under the head of Administration amount to a lakh of rupees.

The Forest Establishments were reduced by 50,000 Rs. and the abolition of the Inam Commission effected a saving of another 55,000 Rupees.

One Regiment of Barr has been reduced and with the reductions in the Head Office Establishments there was a saving of nearly a lakh of rupees under this head.

The Government expenditure on Education shows a saving of 90,000 Rs. partly by reductions of establishments but chiefly by the transfer of the Taluk schools to District Funds.

The Revenue and Topographical Surveys which now cost Rs. 26,25,00 and Rs. 87,000 respectively are temporary establishments which will be dispensed with on the completion of their work. There has been a saving of Rs. 60,000 in the former as compared with the charges in 1878—79.

The Medical and Jail Establishments yet remain to be reformed. Under the latter head the expensive Jail arrangements now existing at the Head-quarters of each District can scarcely be required. There has been a saving of Rs. 60,000 under this head in the cost of maintaining the prisoners which largely increased during the famine.

Reductions in various other miscellaneous items, such as travelling allowances, contingencies and the annual allowance paid to the Bangalore Rifle Volunteers, have contributed another lakh to the savings which aggregate in all 14 lakhs.

These reductions, exclusive of Railways, would have brought down the ordinary charges of the Administration inclusive of 10 lakhs for His Highness' Civil List and 2½ lakhs for the Subsidy, to 96½ lakhs of rupees, but as the famine debt has entailed a new charge of 4 lakhs for the annual interest and as the pension charges have increased by a lakh in consequence of the reductions and as he remuneration to village officers fixed by the survey has entailed a further addition of a lakh, the saving effected has been reduced to eight lakhs, and the present annual expenditure inclusive of the administration of the Assigned Tract managed by the Resident, but exclusive of the Railways, has to be estimated at 101 lakhs of rupees. This would leave no surplus for Railways if the revenue were to remain at the same figure as in the last year, but the revenues for the current year are estimated at 103 lakhs of rupees, and by further reductions of expenditure, His Highness' Government is resolved to provide always an annual surplus of five lakhs of rupees for Railway requirements.

The large addition to pensions is a proof of the great consideration with which the reductions have been carried out. It is still true economy to save appointments by the grant of temporary pensions of one-third or of even one-half of the pay, and to let free the superfluous hands for other useful purposes. It was strictly provided that no new appointments ware to be made in the place of those pensioned.

27. I shall not take up your time on this occasion with any further review of the working of the different branches of the Administration, but it will not be out of place to refer to the state of high efficiency attained by the Judicial Branch of the Administration upon which the well-being of the subjects is so much dependent. In point of purity, the Judicial administration of Mysore can compare favorably with the best administered Provinces in India. Efforts may, however, with advantage be directed somewhat to simplify the laws and to render the working of the Courts more intelligible to the people, and in order further to afford them facilities to seek an amicable settlement of their communities instead of resorting to the regular Judicial Courts in every little matter, it is in contemplation to establish arbitration tribunals composed of select village headman for the settlement of all minor matters.

28. Some revision of the system of Public Works with the view of these establishments working promptly and economically and in co-operation with the District Officers is also urgently called for, and the question will be taken up at once.

29. In the Department of Education in the working of which also the people are deeply interested, little remains to be done by way of establishing additional schools or stimulating a desire for education, but efforts are being chiefly directed to secure better qualifications in the teaching staff of the Taluk and Hobli schools and to encourage technical education. Further details under all these heads will be more properly placed before you at the next year's assembly.

30. I wish now particularly to dwell on the fact that the ordinary routine of the Administration of the Government is not the only subject which requires our notice. The development of the various industries on which the prosperity of the country is dependent equally demands our consideration, and His Highness' Government will be always prepared to give every attention to any suggestions which may be made upon these subjects. The

appointment of a special officer for the purpose cannot be of much service as the experience and knowledge of a single individual can accomplish but little. His Highness the Maha Raja is desirous of organizing a large association of private gentlemen who are likely to interest themselves in the matter and when when such an association is formed, His Highness' Government will consider it to be its duty to help the efforts of the association to promote the industries of the country.

31. His Highness' Government regards the opening out of the Province by means of Railways as a necessary preliminary to the development of its resources. The first line of Railway in the Province from Bangalore to Mysore will be shortly completed. It was commenced by the late Administration at a time of great financial difficulties of the current revenues and has proved a success in every way, forcing economy in all branches of the Administration and utilizing the small annual savings which would have been otherwise less profitably spent, for providing a useful and productive work. The estimate for the 86 miles of the Railway to Mysore is about 35 lakhs. Out of this, 25 lakhs were spent in 1879—80 and 1880—81, and the remainder will be completed in the current year. Out of the 35 lakhs, 15 lakhs were met from current revenues and the remainder will have to be made good out of the surplus of the next four years. The rapidity with which the work is being pushed through including such large bridges as those on the two branches of the Cauvery is due to the untiring energy of the Engineer-in-Chief Major Le-Messurier, who has the superintendence of it, and reflects great credit on all the officers employed on it.

32. Other lines of Railway are even more urgently required for the Province. A central line leading from Bangalore to Tumkúr, Riptur and on Tarikere, a total distance of 150 miles, is of far greater importance as regards the great bulk of the Province. It will tap the great coffee and arecanut producing districts of Hassan, Kadur and Shimoga, bring all remote parts of the Province within easier reach of Bangalore, and may be regarded as the one most necessary work in the Province to provide against future famines. Cartage from and to the above remote districts of the Province, where good draught cattle are scarce, is very costly and totally inadequate for the transport of food in times of famine. The Railway besides being profitable in itself will greatly add to the wealth of the exporting districts, and secure economy and efficiency in the Administration. and will be invaluable for promoting industry and cultivation and the general development of the Province. The Railways from Bellary, Goa and Southern Mahratta country converging at new Hubli, when completed, can, with great advantage, be connected with this line. The distance from Tarikere by Shimoga to the frontiers of the Province on this line will be a little more than 50 miles, and the total length of 200 miles from Bangalore can be completed and provided with rolling stock for less than 80 lakhs of rupees, Rs. 40,000 per mile being considered the maximum rate.

33. The other Railway extensions which can also be usefully undertaken—are line from Mysore to the Wynad, and another from Mysore to Coorg frontiers, the length of the line to be constructed in each case within the Province being about 50 miles. These two lines will traverse comparatively poor tracts of the Province. They are required to establish Railway communication between Mysore and the important Coffee Districts of Wynad and Coorg which are dependent on it for supplies of provisions and labor. They will serve to draw the increasing traffic of these Coffee and Gold-mining Districts to the already completed Railway from Mysore to Bangalore and thence to Madras; and when either of them is further extended to the Western Coast, to Beypore by the Wynad, or to Tellicherry by South Coorg, it will also be of use for the large trade existing between Mysore and the Western Coast and Bombay. The want of such a connection with the Western Coast was very much felt during the last famine, for getting down into the Province the rice and other food grains cheaply brought by ships from Calcutta to the ports of Beypore, Calicut and Tellicherry.

34. These three Railways, about 300 miles in length, may cost 120 lakhs of rupees. It is not to be expected that such costly works could be constructed out of the current revenues of the Province. English enterprize which had unfortunately been long kept out seems now favorably disposed to embark on such undertakings in India, and arrangements could be made with English Companies to undertake the construction of these Railways by the guarantee of a moderate interest of 4 per cent on the outlay only during the first few years of the construction. It is confidently expected that the Railway will soon begin to repay the interest and become altogether self-supporting, and thus these important works so essential to the prosperity of the Province will have been provided without any cost to the State.

35. Another enterprize which is also now largely engaging the attention of capitalists in England is the mining for gold. Auriferous reefs are believed to run through different parts of this Province on an extensive scale, and if those engaged in the enterprize should succeed in working these reefs with profit, they would completely revolutionize the future of the country. Lands supposed to contain reefs have been and are being leased out largely without any restrictions or any immediate money consideration, simply providing for the payment of the assessment on the lands with a royalty of 5 per cent. on the gross proceeds

of the mines. His Highness' Government has also promised to take into consideration any proposals for the commutation of the royalty for the period of the lease by a present payment of Rs. 55,000 for each square mile. The prospects must yet be regarded as uncertain, but it is to be hoped that the attention of English capitalists now awakened to India may be soon directed to the development of other mineral sources and other industries in the country.

36. I shall but briefly refer to the various other industries which might usefully engage the attention of an association of the kind above proposed. I have already referred to the complete ruin of the manufacturing and artizan classes by the famine. Special arts of taste and skill may thrive by manual labor alone, but industries intended to supply the wants of the great body of the people cannot hope in these days to sustain themselves against foreign competition without the aid of machinery.

37. The limited cultivation of cotton in the Province is not favorable to the establishment of cotton mills on a large scale, though there is field enough for a mill or two.

38. The breeding of sheep for wool and the manufacture of woollen articles form an industry peculiar to the Province, and it will be greatly benefited by the application of machinery to it.

39. The establishment of a paper manufactory has also been lately mooted and the attention of the association canbe usefully given to these subjects.

40. The cultivation, however, of exportable products of value offers the widest field for improvement. The most important under this head, the coffee enterprize, is already in the hands of an intelligent body of English planters, who can be trusted to give every attention to it. Other important products, such as cinchona which can be grown in the same parts of the country, may be expected to receive every attention from the planters. Arangements are being made for the introduction in the current year, of an acreage assessment on the coffee lands in lieu of the existing halat at the rate of 1 rupee per acre or Rs. 1—8—0 per acre if a permanent settlement is desired, with due provision for granting temporary remissions of assessment in the case of ill-cultivated or ruined estates. The measure will not be prejudicial to the revenue interests of the Government as the acreage assessment is expected to realize more than the halat duty heretofore collected; but it was sanctioned chiefly with the object of giving the planters every inducement to make the best use of their land and to cultivate whatever produce may be found most profitable.

41. The tracts suited for the cultivation of cotton and of wheat which is also now becoming an important article of export are comparatively limited in this Province, but the whole of these tracts could be devoted to the growth of these valuable articles if the ordinary food grains which are now so largely grown on them could be cheaply obtained from elsewhere by means of Railways.

42. The cultivation of sugar cane is already an established industry. Its extension is dependent on the relative price of rice and sugar, both of which are grown on the same description of land.

43. The most important industry however peculiar to the Province is the cultivation of silk. The lands on which the mulberry is grown have hitherto been subjected to special high rates of assessment and the industry had lately all but died out in consequence of the deterioration of the worm. It has fortunately now revived of itself probably owing to some climatic changes. The subject is deserving of the study of the association both in view to to provide against similar failures in future and to extend the industry to the fullest extent possible in the Province.

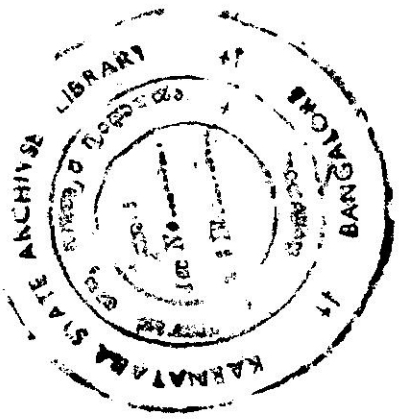
44. Lastly, I must not omit to place before you the important truth that the prosperity of the country can never be assured until the labor of its people yields a surplus over and above the food consumed by them. So long as the labor of agriculturists scarcely yields the food consumed by them, it is not possible to avoid their complete prostration on the occurrence of a famine or other calamity. Improvement in this respect can only be effected by diminishing the proportion of human labor employed in the production of the country, by the application of machinery and capital. Irrigation works answer this purpose to some extent as they enable a larger quantity of produce to be raised by the same labor. But on the much wider area of dry lands, the produce yielded is scarcely more than sufficient for the consumption of the cultivator and his family; it is even worse with our artizam and manufacturing classes. Hitherto the high rate of interest for money in the country and the cheapness of labor have told against the employment of costly machinery. But now that English capital is being drawn to India on cheap terms, and a wide gap has been made in the laboring population by the recent famine, the present time offers a particularly favorable opportunity for raising the status of the people by the introduction of capital and machinery in industrial pursuits. Extensive tracts of good land lie waste both in this Province and in

the neighbouring British Territories affected by the famine for want of labor. They offer a good field for capitalists to bring them under cultivation for the growth of exportable articles by means of steam ploughs and other machinery. Such a sudden extension of cultivation and manufactures by means of machinery, by outstripping the growth of population will tend to increase wages and raise the status of the laborer. At present, population increases at a more rapid rate than production, and increasing want and poverty is the inevitable result.

45. Within the country itself, there is a large amount of small capital unutilized which could be devoted to the same object, but for the engrossing importance which the Government service assumes to itself in this country. The wealth and intelligence of the people should be encouraged to seek honorable employment in productive industries instead of looking to the Government service or other equally unproductive professions.

46. The savings of the Government officials are, no doubt, at present very largely laid out on land. But they are solely employed in the purchase of lands as an investment and not on the improvement of their cultivation.

47. Before concluding I must also refer to the period of intense anxiety through which both the Government and the people have just passed by the apprehensions caused by the recent failure of the rains,—apprehensions which happily have now subsided except in a few taluks. But such occasional failure of rains is almost a normal condition of the Province, and the Government must always remain in constant anxiety as to the fearful results which must follow from them. The results of the last famine will show how little can be done by the Government in the matter, notwithstanding its liberal expenditure, without the co-operation of the people. Irrigation works will of course receive every attention from the Government, although, excepting the river channels, they are not of much use when the rains fail. As already explained the Government has it in contemplation to provide a complete system of Railways to facilitate the transport of food, and it is also intended to initiate under proper arrangements to prevent abuse, a system of advances to the ryots for the more extensive digging of wells in the taluks where there are springs in the soil, and as already remarked private efforts for the application of capital and machinery in the cultivation of land will receive every encouragement from the Government. But a great deal must be done by the people themselves to provide against these calamities. At the special request of His Highness the Maha Raja I exhort you and through you the rest of the people not to forget the important and, I may say, the sacred duty which devolves on every cultivator always to lay by sufficient provision of food her himself and his family for a year or two. The peculiar character of ragi, the food grain of this Province for which there is little demand elsewhere and which can endure keeping for years, affords great facility in this respect. There is also another matter which promises to ensure against the minor failures of rains at least, if carefully attended to by the ryots. Professional agriculturists have discovered the fact, which must indeed be obvious to all, that deep ploughing must enable the soil to retain greater moisture and to support the crops against failure of the rains for a longer interval than otherwise. The various conditions to be attended to in the matter must be settled by actual experience, but there can be no doubt that in the deep red and black dry soils in this Province deep ploughing must prove successful. Arrangements will be made for getting suitable ploughs made in the country itself at cheap rates and His Highness' Government trusts to your getting them into general use.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